



CONGRESSIONAL BUDGET OFFICE  
PAY-AS-YOU-GO ESTIMATE

November 3, 2000

**H.R. 5239**

**An act to provide for increased penalties for violations of the Export Administration Act of 1979, and for other purposes**

*As cleared by the Congress on October 30, 2000*

H.R. 5239 would extend the authority of the Export Administration Act of 1979 (EAA) through August 20, 2001. Since the expiration of the EAA in 1994, the President has continued to enforce the EAA's controls on the export of certain products pursuant to his authority under the International Emergency Economic Powers Act (IEEPA).

The civil and criminal fines for violations of export controls are higher under the EAA than under IEEPA. Therefore, the implementation of H.R. 5239 would increase the fines for violations occurring between the act's enactment date and August 20, 2001. On average, about three years elapse between the initial investigation of violations and the time when penalties are imposed. Based on information from the Department of Commerce, CBO estimates that receipts from penalties would increase by \$1 million a year in 2003 and 2004.

A portion of the increase in governmental receipts that would result from the implementation of H.R. 5239 would be criminal fines. Collections of criminal fines are deposited in the Crime Victims Fund and are available to be spent without further appropriation in the following year. Based on the historical trends of these fines, CBO estimates that direct spending would rise by an insignificant amount in 2004 and 2005.

The CBO staff contacts for this estimate are Ken Johnson and Erin Whitaker. This estimate was approved by Peter H. Fontaine, Deputy Assistant Director for Budget Analysis.